

FEDERAL ELECTION COMMISSION



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FEC'S VICE CHAIRMAN TELLS SENATE SUBCOMMITTEE FULL FUNDING OF FY'96 BUDGET REQUEST ESSENTIAL

WASHINGTON -- Commissioner Lee Ann Elliott, Vice Chairman of the FEC and Chairman of the agency's Finance Committee, told the Senate Appropriations' Treasury/Postal Subcommittee today that approval of a FY'96 funding request of \$29 million is essential if the Commission is to compensate for a budget reduction in the 1995 rescission bill and escalate the "modernization" of the FEC that Congress has indicated it wants.

A House-Senate conference committee on May 16 voted out a package of rescissions for the FY'95 federal budget, containing a \$1.4 million reduction in the FEC's present operating budget of \$27.1 million. That legislation contains language instructing the FEC to devote almost \$1 million to computerization and modernization of the agency, including the ability to accept electronic filing of campaign finance reports.

Additionally, on April 4 the House Oversight Committee adopted a recommendation to reduce the FEC's FY'96 budget request by \$1.5 million, making a total of \$2.9 million in back-to-back budget reductions in fiscal years 1995 and 1996.

Concerning computerization, particularly as it relates to electronic filing, Vice Chairman Elliott told the subcommittee that the Commission is working on a voluntary electronic filing program with the national party committees, the largest filers of campaign finance reports. Plus, the agency is working with several state and municipal agencies which are developing electronic filing programs.

"This way," Vice Chairman Elliott noted, "we can get the bugs out of the system before we spend more money...." She added, "We are determined to avoid the pitfalls other agencies have suffered with hastily designed systems....Neither will we compromise the high quality of our data base by letting incorrect information be electronically filed in it. It is important to note that 50 percent of all reports are amended."

She emphasized that "No one at the Commission is against electronic filing. We work on it every day. But if we had electronic filing in place today, not one candidate could file electronically with us. That is because we have identified seven statutory impediments, including point-of-entry, we are asking Congress to remove in order for us to have a program that works. Otherwise, Congress may be spending money on a program that no one can, or will, use."

The Vice Chairman reminded committee members that the FEC does not control the number of federal candidates running for office (up 34 percent from 1990), the amount of money raised and spent in federal elections (up 54 percent from 1990), the number of complaints filed (up 45 percent), or the number of requests for campaign finance information (up 17 percent).

Elliott said that explosive growth has necessitated numerous internal efficiencies, which have resulted in, among other things:

- increasing by 7,000 the number of transactions coded per FTE (employee) to 112,000;
- since 1980, cutting the average staff time for Presidential matching fund certifications in half;
- reducing in one year average data coding time for reports by 38 percent;
- closing a record 73 enforcement cases in the first three months of FY'95.

The Vice Chairman closed by saying that the FEC anticipates another record election cycle for campaign spending in 1996. "Because it's a Presidential year, we estimate campaign disbursements will go up another 20 percent to \$2.25 billion. Our budget request, however, seeks only a modest \$1.9 million increase. We can only keep up with the explosive growth in campaign spending, new laws, and the needs of the public with the help of this subcommittee."

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